

Community Development Action Grant Policy Statement

Introduction and Description

The purpose of the Community Development Action Grant (CDAG) is to expand administrative capacity and program development for organizations whose missions include economic development. Investment is prioritized toward organizations whose focus is areas of economic disadvantage/distress.

This program is established by I.C. 4-4-24, "Local Economic Development Organizations."

Applicant Eligibility

The following entities are eligible for the Community Development Action Grant:

- ☐ Urban Enterprise Associations
- ☐ Economic Development Commissions
- ☐ Not-for-profit corporations, established under state law, whose primary purpose is the promotion of industrial or business development in Indiana, the retention or expansion of Indiana businesses, or the development of entrepreneurial activities in Indiana.
- ☐ Regional Planning Commissions
- ☐ Other similar organizations whose purpose includes economic development

Program/Project Eligibility

Eligible applicants may use CDAG funds to offset expenses for **salaries, offices/facilities, strategic plan development, and professional services**. Each eligible applicant must present a defined scope of services that complies with the proposed program/project:

- Urban Enterprise Associations may coordinate, promote and develop the enterprise zone, enterprise zone activities, and community development initiatives with the designated zone.
- Economic Development Commissions may investigate, study, or survey the need for additional job opportunities, industrial diversification, extension or improvement of water services; and, as a result, may recommend action to improve or promote these areas.
- Not-for-profit corporations may promote industrial or business development in Indiana, retain or expand Indiana businesses, or develop entrepreneurial activities in Indiana.
- Regional Planning Commissions may institute and maintain a comprehensive policy, planning, programming, and coordinative management processes for the region. In addition, the commission may provide administrative, managerial, or technical services to a county, municipality, or township requesting such services.
- Not-for-profit educational organizations may educate and develop local leadership for economic development initiatives.
- Other similar organizations whose purpose includes economic development. Organizations applying for CDAG funds in this category must be **not-for-profit organizations** and meet the following **prerequisites**:
 1. Applicant organization must document the relationship of the proposed CDAG activity to an approved local economic development plan. This documentation must be submitted by the entity undertaking the economic development initiative on behalf of the applicant.
 2. Applicant organization must provide written confirmation that proposed CDAG activity is consistent with local economic development initiatives and strategies. This confirmation must be submitted by an eligible applicant (listed above) on behalf of the applicant.

Funding and Distribution

The Indiana Department of Commerce (IDOC) distributes \$1.5 million in CDAG funds once each biennium. The next funding cycle begins July 1, 2003 and ends June 30, 2005.

CDAG funds must be matched by funds raised by the applicant organization from sources other than state funds.

- For organizations serving only one county:
 - Maximum grant award is \$50,000
 - Grant monies must be matched at a two-to-one ratio
- For organizations serving two or more counties:
 - Maximum grant award is \$75,000
 - Grant monies must be matched at a one-to-one ratio

CDAG funds are disbursed on a reimbursement basis. All reimbursement claims must be submitted before the first day of June 2003.

Performance with past funding rounds may be a factor in deciding future awards.

Readiness to Proceed: Source/Amount of Matching Funds

Verification of source and amount of matching funds must be included on page five of the CDAG application in order for the applicant to be eligible. **Failure to do so will result in “failed threshold” status.**

Please note that costs incurred prior to CDAG grant award are ineligible for reimbursement. Costs incurred between the CDAG award date and the full execution of the grant agreement are incurred at the applicant’s own risk.

Application Process

Each applicant must submit a letter of intent prior to submission of the application. This process allows IDOC field staff an opportunity to provide necessary technical assistance to the applicant.

Key Dates and Deadlines:

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| → Letter of intent due: | Friday, September 6, 2002, 5:00pm (Indianapolis) |
| → Application due: | Friday, January 17, 2003, 5:00pm (Indianapolis) |
| → Award Announcements: | March 10, 2003 |
| → CDAG Workshop: | March 19, 2003 |

Awards/Program Administration

All applicants will be contacted by IDOC regarding award or denial of the grant. A grant implementation manual with grant agreements and other necessary forms will be made available at an implementation workshop, outlining procedures for signature process, reimbursement requests and closeout documents.

Attendance at the workshop is mandatory.

Questions regarding these policies should be directed to the Community Development Division by calling (317) 232-8911 or (800) 824-2476, via TDD at (317) 233-5977; or you may write:

**Attn: CDAG Program
Indiana Department of Commerce
Community Development Division
One North Capitol, Suite 600
Indianapolis, IN 46204-2288**